

Hillenkroth as DCI

SECRET

Pforzheimer Memo to DCI, 7 Feb 1950

JtA Energy Comm wants you to testify on 8 Feb. They wish to Q you further re the Russian atomic explosion and the factors which led to our missing the original date of the explosion in our estimate.

I think CIA missed the date by a wide margin

19 July 1950--talked w/ Sen. Wiley's office re the statements the Sen. had made re Amer intell being cuaght flat-footed by the Korean invasion

Met w/ Congs. Van Zandt Simpson, Saylor, Gavin, and Vorys to review the intell. situation in Korea prior to the attack. I reread extracts from reports which DCI had previously read to House ArvServComm indicating our estimates of the Korean situation

20 July--Sen. Wiley's office called to state that the Sen had not indicated that Amer intell had been cuaght flat-footed but that it had failed to evaluate the info it had. I said that was a flat misstatement resutling from comm. hearing of something that had never been so stated. I informed him that this Agency does evaluate and that all Cong. investigation had been satisfied by our performance in Korean material. I suggested that hereafter they check w/ us prior to making such statements.

26 June 1950

at request of Senate Appro Comm, DC I testified on the Korean situation.

28 June--Sen. Gurney told WLP that DCI's appearance before Senate Appro Comm had been a gr. success.

see memo in House ArvServ file

9 May 1951

re cong. investigation of intell. prior to N. Korean attack--Smith assumed office in Oct 1950, and seluctant to discuss situation prior to that date.

also reluctant, for security reasons, to disclose how CIA had arrived at its conclusions, tho it was willing to release its conclusions

also see DCI's memo to Deputy Sec of Defense (Lovett?), May 4, 1951, subj: Summary of intell estimates on intervention by Chinese Communists in the Korean War

May 1950 - 2 amSenComm. consider a bill to repeal Sec.
9 of CIA act of 1949 [H.R. 8547, S. 3875]

Senate passes bill [S. 3875] to amend Sec. 9 on 26 July 1950
House " " on 7 Aug. 1950

UNCLASS.

the debate over what Cong. actually had in mind in 1947 regarding the role and func. of CIA is not wholly relevant. For in the interim, Cong. has not seen fit to define more precisely what it meant by the loosely worded phrases of the 1947 act: "additional services of common concern" or "such other functions and duties ralated to intelligence"

ambiguity of Cong's original intentions. Cong. could have at any time clarrified this issues--but chmose not to. [in this sense as well, outcries to later revelations of CIA "misdeeds" must be laid at the door of Cong equally w/ that of the Agency]

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regardless of Congress's intentions concerning the proper functions for the CIA in passing the Nat. Secu. Act of 1947, the CIA by the end of that yr had been assigned resp. for carrying out covert activities deemed necessary or useful by the NSC.

Dec 14, 1947--NSC 4/A gives CIA resp. for covert psychological operations.

It was not automatic that CIA would be given these new resp.; in fact, Truman had first assigned them to State, before Marshall's vigorous protests had led him to reverse his decision.

But it is true that the CIA's system of unvorchered funding made the Agency a logical and convenient tool for such operations, as there would be no need to approach Cong. for separate appropriations.

So in one sense, the system of funding established by Cong under Nat Sec Act contributed to the Agency's subsequent assignment of covert activities.

"Clearly, in recommending the development of a covert action capability in 1948, policymakers intended to make available a small contingency force that could mount operations on a limited basis. Senior officials did not plan to develop large-scale continuing covert operations."

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but outbreak of Korean War and adoption of NSC 68 redefined these intentions. OPC transformed from an organization w/ capacity for a limited no. of ad hoc operations to an organization that conducted continuing, ongoing activities on a massive scale. This meant that now budgeting had to be done in advance. And with annual budgets came the need for ongoing activities to justify future allocations. Gone was most of the flexibility to respond to specific requirements.

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in June 1948, NSC adopts NSC 10/2, authorizing large increase in range of covert operations, including pol. warfare, eco. warfare, and paramil. activities.

NSC 10/2 also establishes Office of Special Projects, soon renamed Office of Policy Coordination, w/in CIA. OPC's budget and personnel appropriated w/in CIA allocations, but DCI had little authority in determining OPC's activities. Instead, this in hands of OPC's Director, who was designated by Sec of State. Policy guidance came to OPC director from State and Defense, bypassing DCI.

So in this roundabout way, CIA charged w/ conduct of a wide range of covert activities w/in a yr. of its founding, despite the fact that the DCI felt even psychological covert action to be beyond scope of CIA's intell. role.

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Bedell Smith takes administrative control of OPC in 1950.
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